

Kiyuk Demobilization Plan

Demobilization of the Kiyuk Lake camp would take place in two phases. A winter phase in order to take advantage of the ice airstrip located on Kiyuk Lake and the ability to use a Cat train to take bulky items down to Lynn Lake, Manitoba. The runway allows Montego Resources (Montego) to use larger planes with bigger payloads, which is inexpensive compared to summer float plane operation. The Cat train uses a bulldozer with a series of sleds used to move heavy gear over frozen lakes and rivers during winter.

A substantial portion of the temporary camp at Kiyuk Lake, Nunavut is rented from Discovery Mining Services. As a part of the rental agreement Discovery must remove all prospector tents and burn any wood buildings and foundations. Montego plans to employ a team of 6 people from Discovery Mining Services of a period of 10 working days each in order to completely remove camp and all materials from the area. The drilling contractor, Bodnar Drilling, has two drill rigs at site, which will need to be removed by during winter by either fixed wing aircraft or Cat train. The Cat train, is not necessary but could be utilized to reduced the fixed wing component of the demobilization. However, a Cat train to Kiyuk Lake has never been attempted with previous Cat train routes stopping 80km south at the Nueltin Lake Fishing Lodge. The demobilization plan has been based around utilizing fixed wing to remove the generators, tractors and snowmobiles to Lynn Lake, Manitoba. Existing dome structures and metal sheds will be dismantled into pieces small enough to fit inside Calm Air's cargo planes. If previous exploration programs have not consumed remaining jet and diesel fuels, bulk fuel tanks could be included in the fixed wing cargo flights where fuel could be removed from the Kiyuk lake camp by reversing the procedure used to bring fuel into the site. This would be completed by filling the mobile tanks, fixed to a trailer, and transporting them a short distance to the runway where they could be pumped dry into Calm Air's bulk fuel tanks.

All equipment will be removed from structures and positioned on the runway or Cat train. The last two days of demobilization will involve several flights from Clam Air Aviation. Each flight will be capable of a 15,000lbs payload. Approximately 10 flights will be required to remove all major equipment from site with flex room for left over fuel.

In summer, 2 contractors will spend seven days at Kiyuk camp cleaning and removing the remaining parts of camp left from the winter phase. Wooden structures such as the kitchen, core shack and generator shacks will be burnt along with the bases of the prospector tents. All 7 prospector tents will be folded up and packed in shipping crates. During the summer a thorough cleanup of the site will be undertaken after the final dismantling of the camp.

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Two contaminated sites remain from fuel spills in 2015 (Spill Report #s 15-379 and 15-382). Montego plan's to start remediation during summer 2017 by removing (excavation) contaminated soil from both sites and transporting it for disposal in Thompson, Manitoba. This will happen with a planned summer work program. If a work program is abandoned the excavation will be added into the demobilization summer cleanup with additional Otter flights to handle the weight of contaminated soil.

Date	Activity	Method
Summer 2017	Excavation of contaminated soil from Spills 15-379 & 15-382	Hand and mechanized digging of contaminated soil into spill containment bags and drums
Summer 2017	Transportation of contaminated soil to Thompson, MB	Fixed Wing Otter Aircraft

Break Down of Winter Man Days:

Day 1 – Equipment removal from all structures.

Day 2 – Tear down of prospector tents.

Day 3 – Tear down of prospector tents continues/ destruction insulated domes and metal shacks



Day 4 – Destruction of Domes and metal buildings

Day 5 – Tear down and dismantling of salvageable equipment.

Day 6 – Packing of all goods (kitchen supplies, geo supplies, tools etc)

Day 7 – Moving all fuel tanks and large items to airstrip, clean up and packing of garbage.

Day 8 – Continue staging camp material at airstrip

Day 9 – First cargo (or equivalent) flights to remove material

Day 10 – Remaining cargo flights/ crew departure.

Break Down of Summer Man Days:

Day 1 – Arrive in camp

Day 2 – Burn all wooden bases and structures remaining in camp

Day 3 – Continue burning and begin clean of trash and debris

Day 4 – Continued Cleanup/transportation of trash and debris via Otter Charter

Day 5 – Final Clean up and reclamation

Day 6 – Pack remaining gear and garbage to landing site

Day 7 – Leave camp

Day 8 – If necessary fuel spill excavation

Day 9 - If necessary fuel spill excavation

Day 10 – If necessary demobilization from camp, extra Otter charter to account for contaminated material weight.

Also included in this report is invoice from a demobilization program in the Yukon from Discovery Mining Services. It can be used as a guideline for expected labor costs (\$500 per person/per day) associated with the demobilization. The demobilization budget estimates labor costs and other personnel related expenditures based on costs from the Yukon program.

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